

USAR

RESTRICTED**USSR - HIGHWAY TRANSPORTATION****A. POLICIES**

1. The published text as well as Soviet official commentaries on The Fourth Five-Year Plan indicate that highway construction and the development of private motor vehicle operation hold a low priority in Soviet planning. The resources of the Soviet automotive industry will be primarily applied to truck construction. By 1950 the industry is scheduled to produce 500,000 vehicles annually. Of these, only 65,000 will be passenger cars. Bus production will total 6,400 units, while truck production is expected to reach 428,000 units. The USSR has indicated that in 1950 the national truck fleet will have reached approximately double its pre-war size. That the truck fleet will be still subjected to severe operational limitations, however, is revealed by the official statement that at least through 1950 large numbers of trucks will operate on producer gas and other "local fuels".

The few existing "arterial roads" are to be "restored" and completely overhauled, but apparently new first-class highways are not to be constructed. Even the subsidiary "improved motor roads" are to be extended by only about 7,000 miles throughout the whole USSR during the entire five-year period.

While Soviet policy will emphasize use of the truck fleet as an adjunct to the rail system in short-haul traffic, some progress will be made in organizing long-distance hauling.

2. While the various media of transportation are controlled by separate agencies, over-all coordination of transport policy is the responsibility of the State Planning Commission (Gosplan).
3. Prior to World War II, the Soviet highway system and the volume of motor transportation did not satisfy the strategic requirements of the USSR, and probably reflected little military influence. The most striking example of this was the failure to provide trans-continental highway communication between the Siberian Maritime Provinces and Western Russia. The Soviet military, however, now undoubtedly exerts a strong influence in planning of motor transportation development. A substantial portion of the present Soviet truck fleet, for example, consists of lend-lease trucks turned over to the military authorities, who presumably still largely control their utilization.
4. Subsidization in the USSR is an academic matter, since all economic activity is controlled by the State, and enterprises will be developed or maintained, regardless of their degree of self-sufficiency, if they serve the national interest. Both road construction and motor vehicle manufacture are covered by specific provisions of the Fourth Five-Year Plan.

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5. Czarist Russia and the USSR have never been able to develop an aggressive and completely effective policy with respect to highway construction and mechanized road transport. This backwardness has been primarily due to a long-standing combination of economic factors. Early railway development satisfied minimum national requirements for long-distance traffic, and the localized regional economies were able to exist with roads of low capacity. The USSR did not have the basic economic factors (rapid accumulation of capital, potentially large consumer market for motor vehicles, the imagination required for the full exploitation of national resources, and a rapid rate of industrialization) which combined in the US, for example, to create a motor vehicle industry which in turn set up a compelling requirement for adequate roads.

B. ORGANIZATION

1. There are three Ministries whose jurisdiction directly affects highway construction and motor transport in the USSR. They are: (a) the Ministry of Internal Affairs, (b) the Ministry of the Automobile Industry, and (c) the Ministry of the Industry for Building and Road Construction Machinery. As in the case of all other Soviet agencies, the State Planning Commission is responsible for over-all planning. It should be noted, however, that motor transport in the Soviet Union is not nearly so susceptible of centralized control as are the other transport media, since every Ministry or other agency whose operations require any substantial amount of trucking has a fleet of trucks under its own jurisdiction. Such dispersion of facilities patently produces a diffusion of control not present in the other transport media.
2. The Chief Administration of Paved Highways in the Ministry of Internal Affairs is charged with all planning, financing, construction and maintenance work on the principal highways, as well as regulations for their use. The Road Administrations of the various Republics perform similar functions for those roads under their jurisdiction. The Ministry of the Automobile Industry is responsible for basic planning and execution with respect to production of motor vehicles in accordance with over-all state planning. The Ministry of the Industry for Building and Road Construction Machinery is charged with basic planning and execution with respect to production of heavy equipment required for road construction and maintenance programs.
3. While there is no direct administrative relationship between the agencies listed in B-1 and the other state agencies, the activities of all the Ministries are coordinated by the State Planning Commission. The many government agencies utilizing their own fleets of trucks doubtless encounter administrative conflicts with the Ministry of Internal Affairs.

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4. After a period of shifting responsibility during the early years of the Soviet regime, the responsibility for road construction and other matters relating to highway transport was placed under the Commissariat for Domestic Affairs, as a result of which considerable progress in road construction was made. In 1936, the Chief Administration of Highways was created within the Commissariat for Domestic Affairs to administer and coordinate a widely decentralized program. In March 1946, the Commissariat for Domestic Affairs became the Ministry of Internal Affairs.
5. The basic social philosophy of the Soviet system postulates that all activity is carried on in the public interest. There is, however, little basis for claiming any high degree of efficiency in either highway construction or motor transport operations. Soviet highway standards are far below those of the United States, and the poor quality of Soviet maintenance and repair facilities became notoriously evident during the late war. That the Soviet Government is aware of the shortcomings of its highway facilities is evidenced by the open criticism in the press of officials responsible for the serious lag in the fulfillment of state plans with respect to road construction.

C. ADMINISTRATION

1. The establishment of new highways is the responsibility of the Ministry of Internal Affairs. Over-all authorization for new highway construction, however, is provided in the five-year plans of the State Planning Commission.
2. Since the agencies requiring any substantial amount of motor transport maintain their own truck fleets (see B-1) and private traffic is unimportant, the question of rates on motor transport traffic is largely meaningless. In those instances where one agency transports goods for another, the carrying agency sets the rates at a point calculated to return a normal planned profit.
3. There is no competition between highway transport carriers beyond state-sponsored "socialist competition" for the purpose of increasing efficiency, reducing accidents, etc. There is little competition between the various media of transport, since all are used to capacity and beyond. Furthermore, operations of all media are integrated within the over-all transport plan of the state.
4. Highways and equipment are subject to very strict rules established by the Ministry of Internal Affairs concerning operating safety and inspection of equipment. Regulations require constant inspection and necessary repairs at all times, as well as periodic inspections and scheduled overhauls at specific times. Accidents are investigated officially and negligence is severely punished, the offenders being considered as "enemies of the people".

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5. The state has prepared extensive programs for technical training in transport, maintaining a number of schools for that purpose. Operating personnel must pass examinations and be licensed. Because of the poor distribution of repair facilities, every chauffeur or driver is supposed to be qualified in repair and maintenance. Procedures for training of technical personnel are under the authority of the Ministry of Labor Reserves, while the Ministry of Internal Affairs establishes regulations for the licensing of highway operators.
6. International agreements now in effect concerning highway transport problems are limited to incidental provisions of bilateral trade and political agreements between the USSR and its neighboring satellite states.
7. Highway transport is no exception to the generalization that the intensive planning of the Soviet economy necessitates the preparation of many reports covering all aspects of operations. The Ministry of Internal Affairs requires various reports dealing with commodities carried, operating costs, accidents, etc.

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